



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-991]

Chlorinated Isocyanurates from the People's Republic of China: Preliminary Results of the Countervailing Duty Administrative Review and Rescission of Review, in Part; 2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of chlorinated isocyanurates (chlorinated isos) from the People's Republic of China (China) during the period of review (POR), January 1, 2020, through December 31, 2020. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Genevieve Coen, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3251.

SUPPLEMENTARY INFORMATION:

Background

On December 28, 2021, Commerce published a notice of initiation of an administrative review of the countervailing duty order on chlorinated isos from China.¹ On July 13, 2022, Commerce extended the time period for issuing these preliminary results by 120 days, in

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 86 FR 73734 (December 28, 2021).

accordance with section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act).² The revised deadline for these preliminary results is now November 30, 2022.

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.³ A list of topics discussed in the Preliminary Decision Memorandum is included at the appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the *Order*⁴

The products covered by the *Order* are chlorinated isos. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.

Rescission of Administrative Review, in Part

Pursuant to 19 CFR 351.213(d)(3), Commerce will rescind an administrative review when there are no reviewable suspended entries. Based on our analysis of U.S. Customs and Border Protection (CBP) information, we preliminarily determine that Hebei Jiheng Chemical Co., Ltd. (Jiheng) had no entries of subject merchandise during the POR. On March 3, 2022, we notified parties that we intended to rescind this administrative review with respect to Jiheng.⁵ No parties commented on the notification of intent to rescind the review, in part. We are, therefore,

² *See* Memorandum, "Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review, 2020," dated July 13, 2022.

³ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review of Chlorinated Isocyanurates from the People's Republic of China and Rescission of Administrative Review, in Part; 2020," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁴ *See Chlorinated Isocyanurates from the People's Republic of China: Countervailing Duty Order*, 79 FR 67424 (November 13, 2014) (*Order*).

⁵ *See* Memorandum, "Notice of Intent to Rescind Review, in Part," dated March 3, 2022.

rescinding the administrative review of Jiheng. For additional information regarding this determination, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(A) of the Act. For each of the subsidy programs found countervailable, we preliminarily find that there is a subsidy, *i.e.*, a financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁶

Commerce notes that, in making these findings, it relied, in part, on facts available and, because it finds that the Government of China did not act to the best of its ability to respond to Commerce's requests for information, it drew an adverse inference where appropriate in selecting from among the facts otherwise available.⁷ For further information, *see* the Preliminary Decision Memorandum at "Use of Facts Otherwise Available and Adverse Inferences."

Preliminary Results of Review

For the period January 1, 2020, through December 31, 2020, we preliminarily find that the following net subsidy rates exist:

Company	Subsidy Rate (percent <i>ad valorem</i>)
Heze Huayi Chemical Co., Ltd.	3.04
Juancheng Kangtai Chemical Co., Ltd.	1.22

Verification

Commerce received a timely request from Bio-Lab, Inc., Clearon Corp., and Occidental Chemical Corporation (collectively, the petitioners) to verify the information submitted in this administrative review.⁸ As provided in section 782(i)(3) of the Act, Commerce intends to verify the information submitted by the mandatory respondents in advance of the final results of this review.

⁶ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

⁷ *See* sections 776(a) and (b) of the Act.

⁸ *See* Petitioners' Letter, "Request for Verification," dated March 30, 2022.

Assessment Rate

Consistent with section 751(a)(2)(C) of the Act, upon issuance of the final results, Commerce shall determine, and CBP shall assess, countervailing duties on all appropriate entries in accordance with the final results of this review. If the assessment rate calculated in the final results is zero or *de minimis*, we will instruct CBP to liquidate all appropriate entries without regard to countervailing duties. For the company for which this review is rescinded, we will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2020, through December 31, 2020, in accordance with 19 CFR 351.212(c)(1)(i).

For the companies remaining in the review, Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Requirements

Pursuant to section 751(a)(2)(C) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts indicated above, except, where the rate calculated in the final results is zero or *de minimis*, no cash deposit will be required on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit instructions, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

We will disclose to parties to this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of these preliminary results.⁹ Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance. A timeline for the submission of case and rebuttal briefs will be provided to interested parties at a later date. Parties who submit case or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁰ Case and rebuttal briefs should be filed using ACCESS¹¹ and must be served on interested parties.¹² Executive summaries should be limited to five pages total, including footnotes. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.¹³

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically using ACCESS by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice.¹⁴ Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants and whether any participant is a foreign national; and (3) a list of the issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs.¹⁵ If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm the date and time of the hearing two days before the scheduled date. Parties are reminded that all briefs and hearing

⁹ See 19 CFR 351.224(b).

¹⁰ See 19 CFR 351.309(c)(2) and (d)(2).

¹¹ See generally 19 CFR 351.303.

¹² See 19 CFR 351.303(f).

¹³ See *Temporary Rule*.

¹⁴ See 19 CFR 351.310(c).

¹⁵ See 19 CFR 351.310.

requests must be filed electronically using ACCESS and received successfully in their entirety by 5:00 p.m. Eastern Time on the due date.

Final Results of Review

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, Commerce intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, within 120 days after publication of these preliminary results.

Notification to Interested Parties

This administrative review and notice are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213.

Dated: November 29, 2022.

Lisa W. Wang,
Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
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- V. Diversification of China's Economy
- VI. Use of Facts Otherwise Available and Adverse Inferences
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- VIII. Benchmarks
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- X. Recommendation

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